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Comptroller

4 March 1953

Office of General Counsel

Purchase of Station Wagon for Psychological Strategy Board

1. Reference is made to your memorandum of 23 December 1952 on the above subject.
2. The inter-agency agreement for financial and administrative support of the Psychological Strategy Board provides that the participating departments may furnish equipment or materials and receive a credit against their contribution quota.
3. It is the understanding of this office that the subject vehicle was diverted from stock intended for overseas use. Presumably, administrative considerations prompted the diversion from overseas stock rather than a specific purchase for the requirement of the Psychological Strategy Board. Part 8.0 et seq. of the Confidential Funds Regulations authorize the expenditure of confidential funds on specified conditions. Ordinarily, the use of such authority to give administrative support to an overt activity, such as the Psychological Strategy Board, is improper. On the basis of the foregoing however, no legal objection is raised to the transaction.

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Assistant General Counsel

OGC/JBK:imm

Attachment - Subject correspondence

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